

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 36175

HGS-ATN, LLC
--ACQUISITION EXEMPTION--
CSX TRANSPORTATION, INC

VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1150.31, Et Seq.



245399

ENTERED
Office of Proceedings
March 29, 2018
Part of
Public Record

KARL MORELL
Karl Morell and Associates
Suite 440
440 1st Street, N.W.
Washington, D.C. 20001
(202) 595-9045

Attorney for:
HGS-ATN, LLC

Dated: March 29, 2018

FILED
March 29, 2018
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
March 29, 2018
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--ACQUISITION EXEMPTION--
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VERIFIED NOTICE OF EXEMPTION
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HGS-ATN, LLC ("HGS-ATN"), a non-carrier, files this Notice of Exemption pursuant to 49 C.F.R. Part 1150, Subpart D--Exempt Transactions Under 49 U.S.C. 10901, to permit HGS-ATN to acquire approximately 121 miles of rail lines located in Alabama.

In support of this Notice of Exemption, HGS-ATN submits the following information as required by 49 C.F.R. § 1150.33:

- (a) Full name and address of applicant:

HGS-ATN, LLC
252 Clayton Street
Fourth Floor
Denver, CO 80206

(b) Applicant's Representative:

Karl Morell
Karl Morell & Associates
Suite 440
440 1st Street, N.W.
Washington, DC 20001
(202) 595-9045

(c) Statement of Agreement:

HGS-ATN is in the process of entering into a Purchase and Sale Agreement.

(d) The operator of the property:

HGS-ATN will lease the rail lines to Alabama & Tennessee River Railway which will be the operator of the property. *See Finance Docket No. 36173, Alabama & Tennessee River Railway, LLC -Lease and Operation Exemption – HGS-ATN, LLC*

(e) Summary of proposed transaction:

(1) The name and address of the entity selling the subject property is:

CSX Transportation, Inc.
500 Water Street
Jacksonville, FL 32202

(2) The involved transaction is expected to be consummated on or shortly after the effective date of this notice of exemption.

(3) The rail lines that will be acquired by HGS-ATN are located: (1) Milepost SG 737.06, at or near Birmingham, to approximately Milepost SG 673.43 at or near Wellington (Birmingham Subdivision), from OAM 522.91 at or near Wellington to OAM 545.93 at or near Moragne (Gadsden Subdivision),

from Milepost AG 114.81 at or near Moragne to AG 85.0, at or near Guntersville (Guntersville Subdivision), and Milepost 0LE 447.89 at or near Moragne, to Milepost 0LE 442.60 at or near Ivalee (Ivalee Spur).

- (4) The length of the Lines being acquired is approximately 121 miles.
- (f) A map of the Lines is attached as Exhibit A.
- (g) HGS-ATN hereby certifies that HGS-ATN's projected revenues as a result of this transaction will not result in HGS-ATN becoming a Class II or Class I rail carrier. HGS-ATN also certifies that its annual revenues will not exceed \$5 million. Accordingly, the requirements 49 C.F.R. § 1150.32(e) do not apply to this transaction.

(h)(1).

The Purchase and Sale Agreement between AGS-ATN and CSX does not contain an interchange commitment.

A caption summary, as required by 49 C.F.R. § 1150.34, is attached.

ENVIRONMENTAL AND HISTORIC IMPACTS

HGS-ATN is acquiring the Line from CSX for continued rail operations. Further Board approval is required for HGS-ATN to discontinue or abandon any service and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older.

Hence, this Notice of Exemption does not require an historic report under 49 C.F.R. § 1105.8(b)(1).

HGS-ATN's acquisition will not result in significant changes in carrier operations. There will not be a diversion of: (1) more than 1,000 rail carloads a year to motor carriage; or (2) an average of 50 carloads per mile per year for any part of this line to motor carriage. This transaction will not result in: (1) an increase in rail traffic of at least 100 percent or an increase of at least eight trains a day on any segment of the line; (2) an increase of rail yard activity of at least 100 percent; or (3) an average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day. HGS-ATN's acquisition of the Lines will not affect a Class I or nonattainment area under the Clean Air Act. In any event, the thresholds of 49 C.F.R. § 1105.7(e)(5)(ii) will not be exceeded. Finally, the transportation of ozone depleting materials is not contemplated. Therefore, no environmental documentation is required under 49 C.F.R. § 1105.6(c)(2).

This action will not significantly affect either the quality of the human environment or energy conservation.

Respectfully submitted,

A handwritten signature in black ink that reads "Karl Morell". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

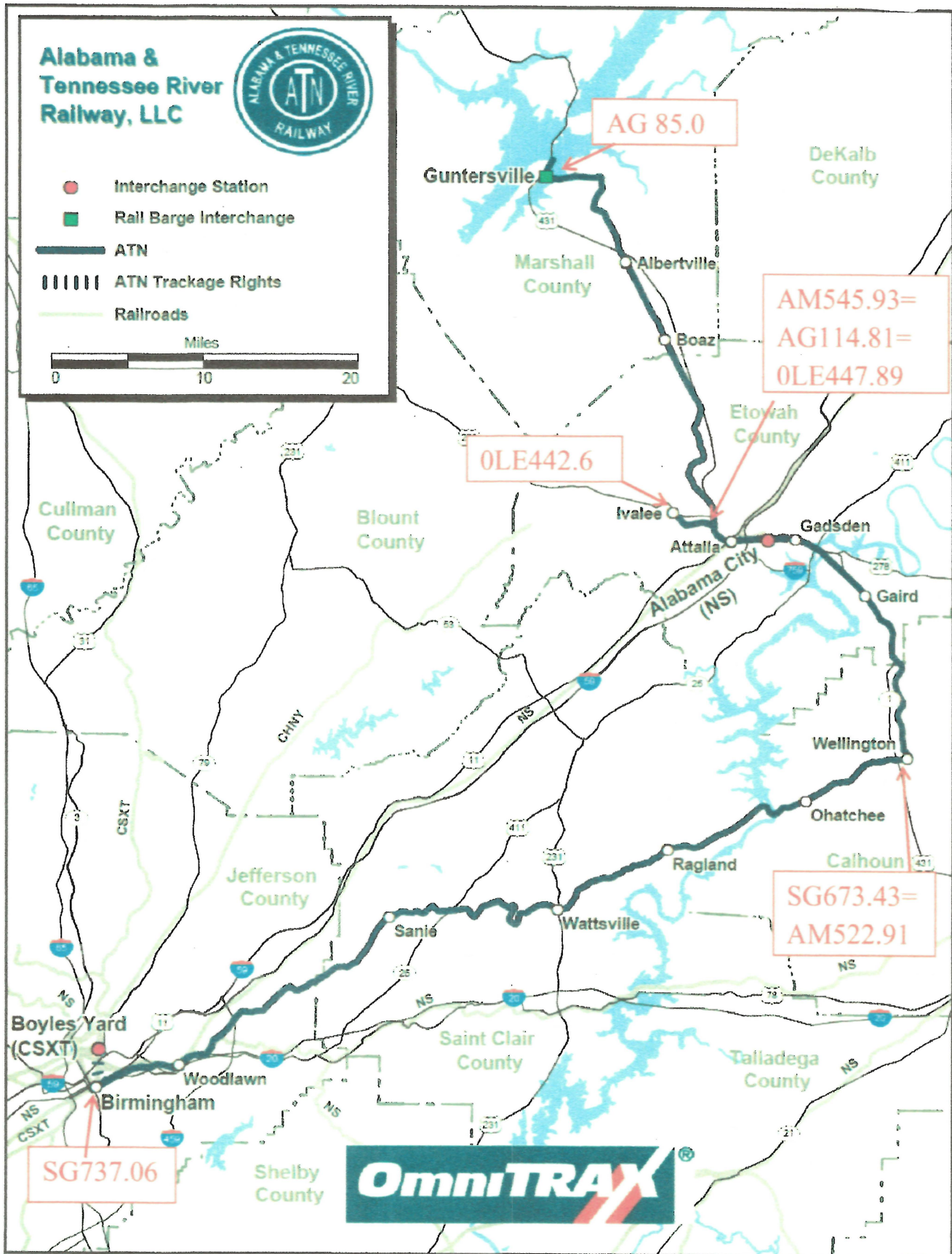
KARL MORELL
Karl Morell and Associates
Suite 440
440 1st Street, N.W.
Washington, DC 20001
(202) 595-9045

Attorney for:
HGS-ATN, LLC

Dated: March 29, 2018

EXHIBIT A

EXHIBIT A



SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 36175

HGS-ATN, LLC
--ACQUISITION EXEMPTION—
CSX TRANSPORTATION, INC.

HGS-ATN, LLC (HGS-ATN), a non-carrier, has filed a verified notice of exemption under 49 CFR 1150.31, to acquire from CSX Transportation, Inc. the lines of railroad located: (1) Milepost SG 737.06, at or near Birmingham, to approximately Milepost SG 673.43 at or near Wellington (Birmingham Subdivision), from OAM 522.91 at or near Wellington to OAM 545.93 at or near Moragne (Gadsden Subdivision), from Milepost AG 114.81 at or near Moragne to AG 85.0, at or near Guntersville (Guntersville Subdivision), and Milepost OLE 447.89 at or near Moragne, to Milepost OLE 442.60 at or near Ivalee (Ivalee Spur).

Comments must be filed with the Board and served on Karl Morell, Suite 440, 440 1st Street, N.W., Washington, DC 20001, (202) 595-9045.

This notice is filed under 49 C.F.R. 1150.31. If the notice contains false or misleading information, the exemption is void ab initio. The filing of a petition to revoke will not automatically stay the transaction.

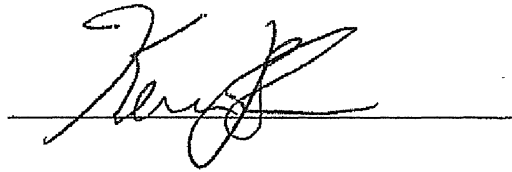
VERIFICATION

STATE OF COLORADO

)
) ss.
)

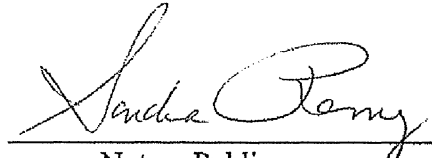
CITY AND COUNTY OF DENVER

I, Kevin Shuba being duly sworn depose and state that I am Manager, CEO
of HGS-ATM, LLC, that I am authorized to make this verification, and that I have read the
foregoing Notice of Exemption and know the facts asserted therein are true and accurate as stated
to the best of my knowledge, information, and belief.



SUBSCRIBED AND SWORN TO before me this 28th day of March, 2018, in the City
and County of Denver, State of Colorado.

My Commission Expires: 2.6.2020


Notary Public